AMENDED IN ASSEMBLY JULY 13, 2011
AMENDED IN ASSEMBLY JUNE 28, 2011
AMENDED IN SENATE MAY 25, 2011
AMENDED IN SENATE MAY 11, 2011

SENATE BILL

No. 682

Introduced by Senator Rubio

February 18, 2011

An act to add-Sections 3011 and Section 3016 to the Public Resources Code, relating to public resources.

LEGISLATIVE COUNSEL'S DIGEST

SB 682, as amended, Rubio. Public resources: oil and gas: underground injection of gas.

Existing law establishes the Division of Oil, Gas, and Geothermal Resources in the Department of Conservation and provides the division with the authority to regulate oil and gas well and production facilities.

The Hazardous Waste Control Law authorizes the Department of Toxic Substances Control to regulate the disposal of hazardous and extremely hazardous waste.

This bill would authorize the division to permit the underground injection of a gas, including constituents stripped from gas, that is produced in a downhole in connection with exploration, development, or production operations for the purposes of disposal. The bill would exempt gases that are hazardous or extremely hazardous waste and injected underground pursuant to the above provision and that meet 3 conditions from regulation under the Hazardous Waste Control Law. The bill would define the term "fluid" for purposes of oil and gas

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conservation provisions as defined. The bill would require the division to establish standards for the permitting of gas injection.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 3011 is added to the Public Resources 2 Code, to read:
- 3 3011. "Fluid" means any material or substance that flows or moves whether in a semisolid, liquid, sludge, gas, or any other form or state.
- 6 SEC. 2.

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- SECTION 1. Section 3016 is added to the Public Resources Code, to read:
- 3016. (a) The division shall have the authority to permit the underground injection of a gas, as defined in Section—3004, including the constituents stripped from gas and produced from a downhole in connection with exploration, development, or production operations for the purposes of disposal. 3007.
 - (b) A gas, including a constituent stripped from gas, is exempt from regulations as hazardous or extremely hazardous waste pursuant to Chapter 6.5 (commencing with Section 25100) of Division 20 of the Health and Safety Code, if it satisfies all of the following:
 - (1) Is produced from a downhole in connection with exploration, development, or production operations.
 - (2) Is separated from the production stream as a part of the primary field operations.
- 23 (3) Is managed in a closed-loop system to prevent all of the following:
- 25 (A) Mixing with nonproduction wastes.
- 26 (B) Exposure to the surface environment.
- 27 (C) Transport beyond the primary field operations.
- 28 (4) Is reinjected underground pursuant to subdivision (a).
- 29 (c) For the purposes of this section, "primary field operations"
- 30 includes activities occurring before the point where the gas is
- 31 transferred from an individual field facility or a centrally located
- 32 facility to a carrier or pipeline for transport to market.

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1 (b) The division shall establish standards for the permitting of 2 gas injection.